

United States Senate  
WASHINGTON, DC 20510

August 5, 2021

The Honorable Charles Schumer  
Senate Majority Leader  
S-221, The United States Capitol  
Washington, DC 20510

Dear Majority Leader Schumer,

As you work to craft legislation to support a robust recovery, we urge you to include investments into our children and families through “Baby Bonds,” as outlined in the *American Opportunity Accounts Act*.

The COVID-19 pandemic, ensuing economic crisis, and ongoing recovery have only further exposed vast economic inequities along racial lines. Today, the median white family has eight dollars in wealth for every one dollar held by Black families, and the members of the Forbes 400 wealthiest Americans hold more wealth than all Black families in the U.S. combined. These disparities left Black families particularly vulnerable during this crisis as they dealt with the challenges of high costs of healthcare, unemployment, and remote learning without the buffer of savings and resources.

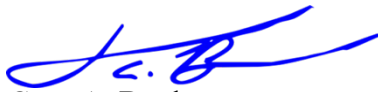
The setbacks facing Black families as a result of the pandemic cannot be understated. The outsized impact on the health and employment of Black families further shrunk wealth as families dipped into their limited resources to stay afloat, and [data](#) shows that critical asset building investments in education, homeownership, and retirement suffered as Black households depleted their savings. These disruptions have the potential not only to create obstacles for the workers and students in the years to come, but also for the future generations.

To be clear, these disparities are the result of intentional policymaking. For decades, federal, state, and local policy has stripped wealth and opportunity from Black and Brown people, and our tax code is overwhelmingly skewed to reward the already-affluent. We have an opportunity to build a just economic recovery that addresses the economic injustices of the past and present and moves us towards an economic future that leaves no family behind.

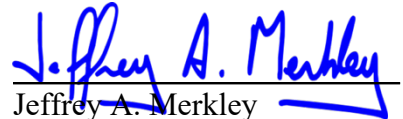
The *American Opportunity Accounts Act* would represent perhaps the most ambitious ever federal effort to directly combat wealth inequality. As a birthright, every child would be given an “American Opportunity Account” seeded with \$1,000. Every year thereafter, children would receive between a \$0 and \$2,000 deposit, depending on family income, with funds sitting in a low-risk account managed by the Treasury Department. Beginning at age 18, account holders would be able to access and utilize the funds for wealth-building activities including homeownership, higher and continuing education, and entrepreneurship—the kind of investments that change life trajectories and break generational cycles of poverty.

Alongside the investments in families and workers put forward in President Biden's American Families Plan, we can make meaningful progress towards eliminating these disparities. As we emerge from this dark period of our nation's history, Baby Bonds is exactly the type of universal, race conscious program necessary to build our economy back better.

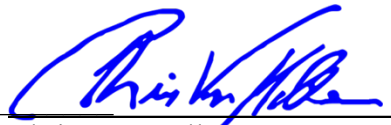
Sincerely,



Cory A. Booker  
United States Senator



Jeffrey A. Merkley  
United States Senator



Chris Van Hollen  
United States Senator



Richard Blumenthal  
United States Senator



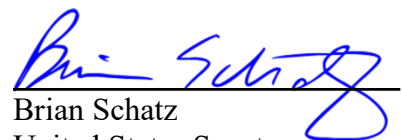
Martin Heinrich  
United States Senator



Sherrod Brown  
United States Senator



Richard J. Durbin  
United States Senator



Brian Schatz  
United States Senator



Edward J. Markey  
United States Senator

Cc: The Honorable Bernard Sanders, Chair, Senate Budget Committee